



**USAID**  
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# **GROWING ETHIOPIAN MARKETS (GEM)**

## **Quarterly Report January-March 2005**

March 31<sup>st</sup> 2005

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# **GROWING ETHIOPIAN MARKETS (GEM)**

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The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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## **SUMMARY AND STATUS OF ACTIVITIES UNDER IMPLEMENTATION AS OF 31<sup>ST</sup> MARCH, 2005**

### **1. INTRODUCTION**

The Growing Ethiopian Markets (GEM) project is a USAID financed project designed to contribute in the development endeavor of Ethiopia by providing technical assistance to Ethiopian Agribusinesses, Trade Associations and their private sector members focusing to Coffee, Meat, Leather and Leather Products, Grain and Horticulture commodity groups.

### **2. PROJECT GOAL**

The project's main goal is to assist the private sector (domestic and international) compete more effectively in local, regional, and world markets through, practical problem solving and organizational support, capacity building, market linking and promotion, value added product development and facilitating exports. More specifically the project **has been launched with the** following objectives:

- Assist business in addressing identified constraints
- Assist in enhancement of capacities of business and their associations
- Help create and/or strengthening of market links along the value chain of the commodities
- Assist in promotion of commodities in their respective markets

### **3. COLLABORATION**

GEM closely coordinate and synergize its work with other USAID supported projects like: Agriculture Cooperatives in Ethiopia (ACT), Africa Growth and Opportunity Act (AGOA)-Ethiopia, and the Development Credit Authority (DCA), facilities with the Bank of Abyssinia and Awash International Bank.

In order to facilitate timely execution of the project the project's work plan was submitted to USAID Mission and approved after several consultations with concerned sections. Based on the work plan, a number of activities have been initiated and well underway. Some of these are outlined briefly as follows.

## 4. COMPONENTS

### 4.1. HIDES, SKIN AND MEAT

As related to hides, skins and meat component, the technical assistance focuses with the support of activities to improve the quality of raw hides, skin and meat through:

- Acquisition of improved shearing tools for sheep which will improve not only the quality of skin through preventing ecto-parasite development but also meat quality and yield
- Acquisition of Static Flaying Frame which address quality problems hides and skins related with flay cuts and deformed shape
- Introduction of Hide Wet-salting which will solve quality problems related with existing air drying methods
- Assistance to set-up a pre slaughter holding ground for slaughter houses through deployment of international consultant
- And assistance has been initiated to strengthen Meat producer and Exporter Association.

### 4.2. COFFEE

In the coffee component technical assistance **is being given** to private sector and **ECEA** in following areas:

- Standard and quality through rehabilitation of ECEA liquor unit and provision of training for cuppers of member companies
- Supporting networking and marketing through deployment of a consultant and setting up computer network among the member companies and other related institutions/stakeholders
- Wet processing machines for inaccessible primary coops that can serve as a model for Traceability

### 4.3. GRAIN

In the grain Component technical assistance **is being provided** to strengthen the capacities of the following Associations

- Addis Ababa Grain Traders Associations
- Pulse and oil seeds Exporters Association
- Lumie Adama Farmers Coop Union
- Commercial farmers Association

*In this technical assistance, a short term international consultant was deployed to develop a website for the associations. In this quarter technical assistance was also provided to the Ministry of Agriculture and Rural Development in funding a capacity building training programs and sponsoring one of their staff to participate in MIS training program in West Africa*

#### 4.4.HORTICULTURE

Regarding the horticulture component assistance has been provided to the Association by sponsoring and facilitating the participations of the members of the Association in the last Global Horticulture Conference held in Tanzania. A field visit to flower farms which followed with a number of consultations in identifying areas of further technical assistance has been made.

A more detail presentation which summarizes some of most important activities and their status of implementation as of 30<sup>th</sup> March is presented in the following pages.

**SUMMARY AND STATUS OF ACTIVITIES UNDER IMPLEMENTATION  
HIDES, SKIN AND MEAT COMOPONENT  
AS OF 31<sup>ST</sup> MARCH, 2005**

MOU NO.	PROJECT DESCRIPTION	MAJOR ACTIVITIES
DAIHSM001	<p><b><u>Assist in Reduction of Ecto-parasite/Ekek Disease Control:</u></b> This activity seeks to provide improved tools the primary producers to facilitate the sheering of the hair of the herd while alive. This is helps not only to cure the already existing Ekeke but also prevent the development of new one. This reduction in prevalence of Ekeke will hence improve the quality of the animal main products and as well as the resulting skins as the main by product</p>	<ul style="list-style-type: none"> <li>➤ Aidmemoire of the activity developed</li> <li>➤ Based on Aidmemoire, an MOU has been signed with the Ethiopian Tanners Association</li> <li>➤ Specification for the Tools prepared and possible suppliers contacted</li> <li>➤ So far only one supplier has forwarded a Performa Invoices</li> </ul>
DAIHSM002	<p><b><u>Acquisition of static Flaying Frame</u></b> This activity seeks to provide and demonstrate the use of the recently designed flaying facility referred as Static Flaying Frame (SFF) which also tested in some areas and helped in reduction of quality problem related with the flaying cuts and defects.</p>	<ul style="list-style-type: none"> <li>➤ Aidmemoire of the activity developed</li> <li>➤ Based on Aidmemoire, an MOU has been signed with the Association</li> <li>➤ Specification for the Frame prepared</li> <li>➤ Possible suppliers in the domestic market were contacted</li> <li>➤ Only Addis Ababa Abattoir found to be the only one manufacturing the Frame.</li> </ul>
DAIHSM003	<p><b><u>Promotion Of Wet-Salting Of Hide</u></b> This activity seeks to help address quality problem by training the people in slaughter houses, in coop unions and other private operators who are engaged in collection and/or preservation of hides and skins in wet salting methods and link them with the tanneries so that the tanneries that are willing to supply them salt and also pay them a premium price for wet salted hides</p>	<ul style="list-style-type: none"> <li>➤ Aidmemoire of the activity developed</li> <li>➤ Based on Aidmemoire, an MOU has been signed with the Association</li> <li>➤ Short term consultant has been recruited</li> <li>➤ Field visit have been made and preliminary assessment for possible beneficiaries has been made</li> <li>➤ Script for mass media education for proper handling of raw hides and skin has been drafted</li> <li>➤ Based on draft Possible radio agency in the domestic market were contacted</li> <li>➤ Only Radio Fana responded and raised a Performa invoice</li> </ul>

**SUMMARY AND STATUS OF ACTIVITIES UNDER IMPLEMENTATION  
HIDES, SKIN AND MEAT COMPONENT**

**AS OF MARCH 31ST, 2005 (Cont...)**

MOU NO.	PROJECT DESCRIPTION	MAJOR ACTIVITIES
DAIHS004	<p><b><u>Technical Assistance In Strengthening Meat Producer and Exporter Association</u></b></p> <p>This activity seeks to strengthen the Meat Producer and Exporter Association to help effectively play its anticipated role. In this regard assistance in acquiring ICT equipments, Office facilities and deployment of an expert who will develop a business plan for the association is envisaged.</p>	<ul style="list-style-type: none"> <li>➤ Aidmemoire of the activity developed</li> <li>➤ Based on Aidmemoire, an MOU has been signed with the Association</li> <li>➤ Experts invited, short listed, and interviewed</li> </ul>
DAIHS005	<p><b><u>Assist In Establishment Of A Model Holding Ground For One Of Abattoir</u></b></p> <p>This activity seek the provision of technical assistance by deploying a world class Short Term Technical Consultant (STTC) in Livestock and Meat production who will elaborate a full-fledged feasibility study and kick start the implementation of the establishment of a model holding ground. Lack of a holding ground to keep the animal arrives under high stress for few weeks before slaughtering has hampered the quality and yield of meat.</p>	<ul style="list-style-type: none"> <li>➤ Aidmemoire of the activity developed</li> <li>➤ Based on Aidmemoire, an MOU has been signed with Ethiopia Tanners Association</li> <li>➤ TOR for short term Consultant developed</li> <li>➤ Consultants invited, short listed, selected.</li> </ul>



**SUMMARY AND STATUS OF ACTIVITIES UNDER IMPLEMENTATION**  
**COFFEE COMPONENT**  
**AS OF 31<sup>ST</sup> MARCH, 2005**

<b>MOU NO.</b>	<b>PROJECT TITLE</b>	<b>PARTNERS</b>	<b>FOCAL SUPPORT</b>	<b>MAIN ACTIVITIES &amp; PERFORMANCE</b>
<b>DAIC001</b>	Rehabilitating the Ethiopian-Coffee Exporter Association (ECEA) Liquor Unit for better quality Service and training Members cuppers	ECEA	Promoting Coffee quality &Cup upgrading	➤ Grinder and Roaster PO was sent for purchase to PROBAT-Germany (PROBAT-WERKE von Gimborn Maschinenfabrik GmbH) and Agtron Roast classification & Digital Scale from ,Specialty Coffee Resource Center /SCAA USA PO was sent from DAI head quarter and in the process delivery for the Association
<b>DAIC002</b>	Support the networking consultation and the establishment of electronics connection between the member of exporters and related institutions.	ECEA	Strengthening Networking Capacity	➤ Web site design to start soon. Waiting for computer Frontiers deployment.
<b>DAIC003,</b>	Wet processing machines for inaccessible primary co-op that can serve as models.	For premium Coffee Growing Areas	Technology transfer as a Model	➤ Area of establishment and types of machine were proposed and the purchase of machines are under assessment

**SUMMARY AND STATUS OF ACTIVITIES UNDER IMPLEMENTATION**  
**COFFEE COMPONENT**  
**AS OF 31<sup>ST</sup> MARCH, 2005 (Continued)**

<b>MOU NO.</b>	<b>PROJECT TITLE</b>	<b>PARTNERS</b>	<b>FOCAL SUPPORT</b>	<b>MAIN ACTIVITIES &amp; PERFORMANCE</b>
<b>DAIC004</b>	Licensing Wild-forest, organic and cottage coffee in the Limu - Tenebo for 'Enara' Coffee as model farm, (Traceability).	Deddesa Agro Ind Co	Licensing for specialty and organic coffee & Traceability	➤ Private groups submitted their need and baseline data exist at their farms and vicinities. BCS-OKO Gmbh which certified the three Coffee Growing Unions (Y'Chefe, Sidama and Oromia) has submitted his data collection sheet and the format passed to one of the grower. The work will start soon.
<b>DAIC005</b>	Promotion of strong Public Relationship at the Terminal Market through consultant and the establishment of partnership between the American Advertisement agencies and the local entrepreneurs are on process	MOARD Coffee Marketing/	Promoting Market PR& partnership in Advertisement	➤ Working with Coffee private sector in developing documentary short commercial film to be played at the 6 month Japan Exhibition and other parts of the world then after on Coffee Arabica originated in Ethiopian
<b>DAIC006</b>	Experience sharing/training	ECEA/Quality	Experience sharing	➤ A cupper is sent to SCAA to perform cup taste and Ethiopian Coffee ceremony at the Exhibition

**SUMMARY AND STATUS OF ACTIVITIES UNDER IMPLEMENTATION  
GRAIN COMPONENT  
AS OF 31<sup>ST</sup> MARCH, 2005**

MOU NO.	PLANNED ACTIVITY	MAJOR ACTIVITIES UNDERTAKEN
DAIC001	Support Trade associations in establishing an office, equipped with ICT facilities and networking system	<p><i>(Ethiopian Pulses, Oilseed and Spices Processors and Exporters Association)</i></p> <ul style="list-style-type: none"> <li>➤ MOU was signed to build the capacity of the association</li> <li>➤ As per the agreement, the GEM project has rented an office for the association in order to house its office out of the government building and to encourage the association to be self dependent in the short run</li> <li>➤ To equip the association with ICT facilities, the procurement process is in progress</li> </ul>
DAIC002	Support MoARD in popularizing the Agricultural Marketing Strategy	<p><i>(Ministry of Agriculture and Rural Development)</i></p> <ul style="list-style-type: none"> <li>➤ MOU was signed</li> <li>➤ As per the agreement, a capacity building training program was conducted for 75 participants</li> <li>➤ Providing technical assistance on reviewing the agricultural marketing strategy by a short term consultant is being considered</li> <li>➤ Accepting the request from the MoARD for a budget support to train one staff on MIS in West Africa the project office is processing the training program.</li> </ul>
DAIC003	Support Trade associations in establishing an office, equipped with ICT facilities and networking system	<p><i>(Addis Ababa Grain Traders Association)</i></p> <ul style="list-style-type: none"> <li>➤ MOU was signed to equip the association with ICT facilities and modern office equipments.</li> <li>➤ To strengthen the association, an office is being rented out at Ehil Berenda ,which is the terminal market of Ethiopia</li> </ul>

**SUMMARY AND STATUS OF ACTIVITIES UNDER IMPLEMENTATION  
GRAIN COMPONENT  
AS OF 31<sup>ST</sup> MARCH, 2005 (Cont.)**

MOU NO.	PLANNED ACTIVITY	MAJOR ACTIVITIES UNDERTAKEN
DAIG004	Support Producers group with ICT facilities	<p>(<i>Oromiya Commercial Farmers Association</i>)</p> <ul style="list-style-type: none"> <li>➤ The association has submitted its project proposal to be assisted in the process of its formation</li> <li>➤ Its project proposal is under review</li> </ul>
DAIG005	Support Producers group with ICT facilities	<p>(Luma Adama Farmers cooperative Union)</p> <ul style="list-style-type: none"> <li>➤ The Union has presented its project proposal to alleviate its basic market information problem both internally and externally and to bridge the knowledge and marketing skill gap that exist at the union and primary cooperative levels</li> </ul>
	Short term International consultancy	<ul style="list-style-type: none"> <li>➤ An international consultant was deployed to assist the GEM project in implementing the MIS for grain component.</li> <li>➤ An IT specialist was hired to look into how ICT assisted grain trade will be implemented shortly.</li> </ul>